

IN THE SENATE

SENATE BILL NO. 1110

BY EDUCATION COMMITTEE

AN ACT

RELATING TO EDUCATION; AMENDING CHAPTER 10, TITLE 33, IDAHO CODE, BY THE ADDITION OF A NEW SECTION 33-1004I, IDAHO CODE, TO PROVIDE PROVISIONS RELATING TO PAY FOR PERFORMANCE, HARD TO FILL POSITIONS, LEADERSHIP AWARDS AND TO PROVIDE FOR DISTRIBUTION OF MONEYS; TO PROVIDE THAT NOTHING IN THIS ACT SHALL PREVENT THE LEGISLATURE FROM ADJUSTING COMPONENTS OF CERTAIN FUNDING FORMULAS PURSUANT TO THE NEEDS OF PUBLIC SCHOOLS AND THE CONSTITUTIONAL REQUIREMENT THAT THE STATE MAINTAIN A BALANCED BUDGET; PROVIDING SEVERABILITY; AND PROVIDING EFFECTIVE DATES.

Be It Enacted by the Legislature of the State of Idaho:

SECTION 1. That Chapter 10, Title 33, Idaho Code, be, and the same is hereby amended by the addition thereto of a NEW SECTION, to be known and designated as Section 33-1004I, Idaho Code, and to read as follows:

33-1004I. PAY FOR PERFORMANCE -- HARD TO FILL POSITIONS -- LEADERSHIP AWARDS. (1) In addition to the moneys provided pursuant to the calculations for salary-based apportionment, the following amounts shall be distributed and paid, from the moneys appropriated to the educational support program, subject to the criteria contained in this section:

(a) For fiscal year 2013, an amount equal to five hundred seven (507) multiplied by the per statewide support unit value of salary-based apportionment and discretionary funds shall be distributed pursuant to subsection (2) of this section.

(b) For fiscal year 2014, an amount equal to six hundred eighty (680) multiplied by the per statewide support unit value of salary-based apportionment and discretionary funds shall be distributed pursuant to subsections (2), (3) and (4) of this section, in the following proportions:

(i) Seventy-four and one-tenth percent (74.1%) pursuant to subsection (2) of this section;

(ii) Seven and four-tenths percent (7.4%) pursuant to subsection (3) of this section;

(iii) Eighteen and one-half percent (18.5%) pursuant to subsection (4) of this section.

(c) For fiscal year 2015 and each fiscal year thereafter, an amount equal to six hundred eighty (680) multiplied by the per statewide support unit value of salary-based apportionment and discretionary funds shall be distributed pursuant to subsections (2), (3) and (4) of this section, plus fifty percent (50%) of any moneys appropriated for increased pay for certificated staff beyond the amount needed to fund the base and minimum instructional salaries, pursuant to section 33-1004E, Idaho Code, that were in effect during fiscal year 2009. Such distributions made pursuant to subsections (2), (3) and (4) of this section

shall be made according to the allocations established in subsection (1) (b) of this section.

(d) The provision in subsection (1) (c) of this section that directs that fifty percent (50%) of certain moneys be distributed pursuant to subsections (2), (3) and (4) of this section shall be effective until such time as fifteen percent (15%) of the total moneys appropriated for certificated staff salaries are being distributed pursuant to this section. After this allocation is attained, fifteen percent (15%) of the total moneys appropriated for certificated staff salaries shall be distributed pursuant to subsections (2), (3) and (4) of this section. Such distributions made pursuant to subsections (2), (3) and (4) of this section shall be made according to the allocations established in subsection (1) (b) of this section.

(e) For the purposes of this subsection, the term "statewide support units" shall mean the total number of support units calculated for the purposes of distributing salary-based apportionment in the current fiscal year.

(f) In the event of a reduction in the moneys appropriated for certificated staff salaries, the calculations established pursuant to subsections (1) (b) through (d) of this section shall be performed in reverse.

(2) Share-based pay for performance bonuses for student achievement growth and excellence.

(a) Certificated employees shall be awarded state shares based on the performance of whole schools.

(i) Growth -- Utilizing a state longitudinal data system for students, the state department of education shall develop a system for measuring individual student growth. Such system shall compare spring student scores on the state-mandated summative achievement tests ("spring test") from one year to the next, and establish percentile rankings for individual student growth by comparing students with an identical spring test score in the previous year with each other in the current year. A separate growth percentile shall be established for each student for each subject in which the spring test is given in consecutive grades. The median student growth percentile, based on measuring all eligible students, shall be the growth score for each school. All certificated employees at a school with a median growth score in the following ranked quartiles shall be awarded state shares as follows:

	Instructional	Administrative
1st Highest Quartile	1.00 shares	2.00 shares
2nd Highest Quartile	0.50 shares	1.00 shares
3rd Highest Quartile	0.25 shares	0.50 shares
4th Highest Quartile	0.00 shares	0.00 shares

(ii) Excellence -- The state department of education shall develop a system for comparing and ranking school spring test scores based on standardized scores, utilizing all grades and subjects tested. Based on each school's median standardized score, all

certificated employees of a school in the following ranked quartiles shall be awarded state shares as follows:

	Instructional	Administrative
1st Highest Quartile	0.50 shares	1.00 shares
2nd Highest Quartile	0.25 shares	0.50 shares
3rd Highest Quartile	0.00 shares	0.00 shares
4th Highest Quartile	0.00 shares	0.00 shares

(iii) No certificated instructional employee shall receive more than one (1.00) share, the results of the quartile award tables for growth and excellence notwithstanding. No certificated administrative employee shall receive more than two (2.00) shares, the results of the quartile award tables for growth and excellence notwithstanding.

(iv) Students whose spring test results are excluded from the school's results for federal accountability purposes shall be excluded from school growth and excellence calculations.

(v) For schools that do not administer the spring test, or for which no spring test growth calculation is possible, the school and its certificated employees shall be included with the school to which the students matriculate.

(vi) For certificated employees assigned more than one (1) school, state shares shall be earned pro rata, based on the percentage of the employee's time assigned to each school at the time that students take their spring tests. In addition, for part-time employees, state shares shall be earned pro rata, based on such employee's full-time equivalency status.

(vii) The number of schools in each quartile shall be based on the number of certificated employees employed at the schools, with as close to twenty-five percent (25%) of such employees falling within each quartile as possible.

(viii) For certificated employees not assigned to a specific school, all new employment contracts signed on or after July 1, 2011, shall provide that at least five percent (5%) of the total available compensation be based on growth in student achievement, as determined by the board of trustees. Such percentage shall increase to ten percent (10%) of the total available compensation for contracts signed on or after July 1, 2015, and fifteen percent (15%) for contracts signed on or after July 1, 2019.

(b) Local shares shall be awarded to certificated employees based on performance. Each board of trustees shall develop a plan for awarding local pay for performance shares in consultation with certificated employees. Local share awards to certificated instructional employees shall be based on the performance of groups of such employees, unless there is only one (1) such employee in the school district. No employee shall receive more than one (1.00) local share. For part-time employees, local shares shall be earned pro rata, based on such employee's full-time equivalency status. Local share awards shall be based on one (1) or more of the following measures:

- 1 (i) Student test scores;
- 2 (ii) Student graduation rate;
- 3 (iii) Student dropout rate;
- 4 (iv) Percent of graduates attending postsecondary education or
- 5 entering military service;
- 6 (v) Making federally approved adequate yearly progress;
- 7 (vi) Number of students successfully completing dual credit or
- 8 advanced placement classes;
- 9 (vii) Percent of students involved in extracurricular activi-
- 10 ties;
- 11 (viii) Class projects;
- 12 (ix) Portfolios;
- 13 (x) Successful completion of special student assignments;
- 14 (xi) Parental involvement;
- 15 (xii) Teacher-assigned grades; and
- 16 (xiii) Student attendance rate.

17 For any school district in which the board of trustees fails to adopt a
 18 plan for awarding local pay for performance shares by September 1, local
 19 shares awarded for performance in that school year shall be identical to
 20 the number of state shares awarded for each certificated employee.

21 (c) Individual pay for performance bonuses shall be calculated as fol-
 22 lows:

- 23 (i) Divide the moneys available for pay for performance bonuses
- 24 by the total number of state shares earned by certificated employ-
- 25 ees statewide.
- 26 (ii) To determine the amount of pay for performance bonus funds
- 27 to distribute to each school district, multiply the result of
- 28 subparagraph (i) of this subsection by the number of state shares
- 29 earned by certificated employees in the school district.
- 30 (iii) To establish the value of a share in each school district,
- 31 the school district shall divide the funds distributed by the
- 32 state department of education pursuant to subparagraph (ii) of
- 33 this subsection by the total number of state and local shares
- 34 earned by all certificated employees who earned at least a frac-
- 35 tion of both a state and local share.
- 36 (iv) Multiply the total number of state and local shares earned
- 37 by each certificated employee of the school district who earned at
- 38 least a fraction of a state and local share by the result of sub-
- 39 paragraph (iii) of this subsection. Certificated employees who do
- 40 not earn at least a fraction of both a state and local share shall
- 41 not be eligible to receive a pay for performance bonus. Pay for
- 42 performance bonuses shall be paid by school districts to qualify-
- 43 ing certificated employees in a lump sum by no later than December
- 44 15 following the spring test of the prior school year.

45 (3) Hard to fill position bonuses.

46 (a) The state board of education shall designate certificates and en-
 47 dorsements held by certificated instructional staff for hard to fill
 48 position bonuses. The board shall rank the certificates or endorse-
 49 ments to be so designated based on the relative difficulty of school
 50 districts' ability to recruit and retain such personnel. No additional

1 certificates or endorsements may be added to the rankings beyond the
2 first such certificate or endorsement that causes the number of cer-
3 tificates or endorsements to equal or exceed one-third (1/3) of the
4 total certificates and endorsements held by certificated instructional
5 public school employees in the state. The board shall review and alter
6 such rankings and designations at least once every two (2) years based
7 on market conditions. Any changes in rankings and designations shall be
8 made by the board by no later than March 31 of the previous school year,
9 and school districts shall be promptly notified of any changes.

10 (b) School district boards of trustees may choose to designate certifi-
11 cates and endorsements held by certificated instructional employees
12 for hard to fill position bonuses, provided such certificates and en-
13 dorsements have been so designated by the state board of education
14 as provided in subsection (3)(a) of this section. School boards of
15 trustees choosing to make such designations shall rank the certificates
16 and endorsements based on the relative difficulty of recruiting and re-
17 taining such personnel. No additional certificates or endorsements may
18 be added to the rankings beyond the first such certificate or endorse-
19 ment that causes the number of the district's full-time equivalent em-
20 ployees utilizing such certificates and endorsements to equal or exceed
21 ten percent (10%) of the certificated instructional positions employed
22 by the district; provided however, the number of such employees who may
23 be designated shall not be less than one (1). The amount distributed
24 for utilization by each district shall be based on each district's share
25 of the total certificated instructional employees statewide. Funds so
26 distributed shall be paid solely to certificated instructional person-
27 nel holding the certifications and endorsements designated by the local
28 school board, in amounts that shall be determined at the discretion of
29 the local board, which may vary between, but not within, individual cer-
30 tificate and endorsement areas; provided however, no award shall exceed
31 twice the statewide average bonus paid per certificated instructional
32 employee pursuant to subsection (2) of this section.

33 (c) School districts may apply to the state board of education to waive
34 the requirement that a certificate or endorsement designated by the
35 school district for hard to fill position bonuses first be designated
36 for such by the state board of education. The state board of education
37 may grant such a waiver for good and rational cause.

38 (d) In order to receive a hard to fill position bonus, an individual
39 must actually be providing instruction or service within the designated
40 certificate or endorsement area.

41 (e) If an individual qualifies for a hard to fill position bonus in more
42 than one (1) certificate or endorsement, the individual shall be allo-
43 cated and paid on a full-time equivalency basis, based on the relative
44 time spent in each of the qualifying areas.

45 (f) School district boards of trustees choosing to utilize hard to fill
46 position bonus funds shall designate a new list of certificates and en-
47 dorsements for such bonuses for each school year by no later than June 11
48 of the previous school year. The new list may be identical to the list
49 from the previous school year, subject to the current ten percent (10%)
50 limitation requirements.

(g) If the board of trustees determines that it will be unable to attract a qualified candidate to serve in a hard to fill position, even with the addition of such bonus funds, the board may use such funds to pay for the training and coursework needed by a currently unqualified employee or other individual to gain such qualification. If such payment is authorized, the amount paid for an individual in a fiscal year shall not exceed twice the statewide average bonus paid per certificated instructional employee pursuant to subsection (2) of this section. The individual for whom training and coursework is paid in such manner must earn a passing grade for the training and coursework that is paid by the school district and must work for the school district at least one (1) year in the designated certificate or endorsement area for each fiscal year in which the school district made payments for training and coursework, or repay the funds.

(h) Hard to fill position bonuses shall be paid by school districts to qualifying certificated instructional employees by no later than December 15, in a lump sum payment.

(4) Leadership awards.

(a) School district boards of trustees may designate up to twenty-five percent (25%) of their certificated instructional employees for leadership awards. Such awards shall recognize excellence, be valid only for the fiscal year for which the awards are made and require one (1) or more of the following additional duties:

- (i) Teacher or other instructional staff mentoring;
- (ii) Content leadership;
- (iii) Lead teacher;
- (iv) Peer teaching coach;
- (v) Content specialist;
- (vi) Remedial instructor;
- (vii) Curriculum development;
- (viii) Assessment development;
- (ix) Data analysis;
- (x) Grant writing;
- (xi) Special program coordinator;
- (xii) Research project;
- (xiii) Teaching professional development course;
- (xiv) Service on local/state/national education committee or task force;
- (xv) Providing leadership to a professional learning community;
- and
- (xvi) Earning national board certification.

Duties related to student activities and athletics shall not be eligible for leadership awards.

(b) Local school district boards of trustees shall require that the employee work additional time as a condition of the receipt of a leadership award.

(c) Local school district boards of trustees may grant multiple leadership awards with multiple additional duties. No employee, however, shall receive leadership awards in excess of twice the statewide aver-

1 age bonus paid per certificated instructional employee pursuant to sub-
2 section (2) of this section.

3 (d) Leadership awards shall be paid by school districts to qualifying
4 certificated instructional employees in a lump sum payment upon comple-
5 tion of the additional duty.

6 (e) Employees with fewer than three (3) years of experience shall not be
7 eligible for leadership awards. The term "experience" shall be as used
8 for certificated instructional staff in section 33-1004A, Idaho Code.

9 (f) Notwithstanding the provisions of subsection (4) (a) through (e) of
10 this section, employees who earned national board certification prior
11 to July 1, 2011, and who are no longer receiving payments for earning
12 such certification pursuant to section 33-1004E, Idaho Code, due to the
13 repeal of the provision providing for such payments, shall be paid two
14 thousand dollars (\$2,000) per year from the moneys allocated pursuant
15 to this subsection (4) until all moneys that would have been paid un-
16 der the previous provisions of section 33-1004E, Idaho Code, have been
17 paid.

18 (5) School districts may shift moneys between the allocations for
19 subsections (3) and (4) of this section. The ten percent (10%) limitation
20 established in subsection (3) of this section and the twenty-five percent
21 (25%) limitation established in subsection (4) of this section shall be ad-
22 justed accordingly.

23 (6) All distributions of moneys to school districts shall be made as
24 part of the third payment to school districts required by section 33-1009,
25 Idaho Code.

26 (7) School districts shall not enter into any contract that discrimi-
27 nates against those receiving a bonus award pursuant to this section.

28 (8) The state department of education may require reports of informa-
29 tion as needed to implement the provisions of this section and provide re-
30 ports to the governor, the legislature and the public.

31 (9) For the purposes of this section, the term "school district" also
32 means "public charter school," and the term "board of trustees" also means
33 "board of directors."

34 SECTION 2. Nothing in this act shall prevent the Legislature from ad-
35 justing any component of any public school funding formula in any fiscal
36 year, pursuant to the needs of public schools and the constitutional re-
37 quirement that the state of Idaho maintain a balanced budget.

38 SECTION 3. SEVERABILITY. The provisions of this act are hereby declared
39 to be severable and if any provision of this act or the application of such
40 provision to any person or circumstance is declared invalid for any reason,
41 such declaration shall not affect the validity of the remaining portions of
42 this act.

43 SECTION 4. Sections 1, 2 and 3 of this act shall be in full force and ef-
44 fect on and after July 1, 2012.